

NATIONAL CLEAN CITIES, INCORPORATED

Background

National Clean Cities, Incorporated (NCC Inc.) is a 501 (c) 3 non-profit organization created to assist Clean Cities Coalitions to meet the goals and objectives of the voluntary program created by the federal Department of Energy. NCC Inc. is a separate and distinct entity from the government agency, is not under the government's control and exercises no control over government activities. NCC Inc. operates under the governance of a Board of Directors who set and approve policy direction. No member of the Board of Directors is or will be from the Department of Energy or from specific Clean Cities chapters (i.e. coordinators or chairpersons), though Board members may be stakeholders in one or more Clean Cities coalitions. Coalitions are represented on the Board of Advisors.

A major component of NCC Inc.'s mission is to open new and different doors to make things happen for the Clean Cities Coalitions and their members. For NCC Inc. to accomplish this, it is working to develop partnerships by joining Clean Cities coalitions into regional and national groups and then by melding these groups with OEMs, fuel suppliers, environmentalists and other AFV supporters to serve the interests of **all** partners.

An important part of the strategy to promote partnerships has involved naming appropriate individuals to the Board of Directors and to the Board of Advisors. Board of Director members must support the purposes for which NCC Inc. was created, including demonstrating a willingness to work to increase the numbers of AFVs in service, the amount of infrastructure and public education. More importantly, Board of Director members agree to collectively and actively participate in programs and projects by providing funding and other resources needed for NCC Inc. to succeed.

Board of Advisor members represent the Clean Cities coalitions with the objective of providing input into setting policy needed to ensure that self-sustaining Clean Cities will result from the services and activities of NCC Inc. The chairperson of the Board of Advisors also serves as an *ex officio* non-voting member of the Board of Directors.

In return, NCC Inc. will ensure that its resources and the resources of the partners are deployed to maximum advantage and with minimum cost necessary to achieve objectives. NCC Inc. will strive constantly to design programs and to provide services that promotes the projects of its chapter members and that supports the growth of AFV markets. Some of the initial activities identified by NCC Inc. reflecting this are:

Applications for foundation funding for national, regional, and local projects

Most coalitions do not have sufficient funds for infrastructure construction, vehicle acquisition, program activities, and coordinator support. NCC Inc. expects to assist these efforts by coordinating grant applications. NCC Inc. plans to serve as the conduit to create partnerships to open opportunities to chapters, their stakeholders, and others involved with AFVs. Once

these opportunities are on the table, it will be up to participants to take advantage of them with NCC Inc. available to provide whatever services the coalitions need for this to happen.

Education and information programs for national and local legislators on AFVs and program benefits

Clean Cities coalitions have the potential to be a strong political force. They can help pave the way for regulatory actions and garner support for AFV initiatives. This is a long term effort that NCC Inc. believes will produce benefits over time. On March 16th, NCC Inc. sponsored the first annual Washington Day with coordinators from across the US visiting their representatives and senators on Capitol Hill to inform them about the Clean Cities program.

Low cost administrative services

Funds that the coalitions use to pay for insurance or to fiscal agents, for example, are not available to support projects such as vehicle acquisition. Freeing up additional funds for the coalitions to utilize can help ensure that more markets can be accessed. As a non-profit, NCC Inc. only needs to cover expenses and will offer these services for a reasonable fee. Amounts the coalitions save by using lower cost NCC Inc. services can be utilized for other purposes.

501 (c) 3 tax and other advantages

Most of the Clean Cities coalitions do not have the funds or the resources necessary to obtain 501 (c) 3 designation. As chapters of NCC Inc., the coalitions automatically are afforded non-profit status permitting them to receive charitable donations and to apply for funding (either on their own or with NCC Inc.) that the local coalitions were not previously eligible to receive.

Organization

NCC Inc. has three types of memberships:

- 1. Individual.** Currently any person can become a member simply by sending an email. In the future, the list of members will be used to solicit support for projects and other activities.
- 2. Corporate/ Organizations.** Corporations and organizations can become members by contributing a charitable donation to support the purposes of NCC Inc.
- 3. Clean Cities Coalitions.** Clean Cities Coalitions in good standing with the DOE can become chapters of NCC Inc. Coalitions become chapters by incorporating, obtaining a federal tax id number, completing an application, signing an agreement, and sending a check for \$100 along with a copy of their bylaws to NCC Inc. NCC Inc. has been contacted by many Clean Cities Coalitions about membership and services.

May 7, 2000

Dear Clean Cities Coordinators:

At the National Conference in Louisville in May, the plan to establish a non-profit organization to assist the growing network of Clean Cities was announced. The organization- National Clean Cities, Inc.- is established, has received its designation as a 501 (c) (3) and is ready to select a board of directors. National Clean Cities, Incorporated (NCC Inc.) will raise money, provide training, and conduct outreach activities on behalf of its members. Any Clean Cities coalition can become a member, but must meet some basic requirements first.

Clearly, one of the benefits that NCC Inc. expects to offer will be access to funds. NCC Inc. will 1) research, identify and advise chapters about funding opportunities available to them (e.g. local funds or geographically restricted funds that NCC could not pursue; 2) help establish consortia of chapters that have similar project interests and help them apply for funds as coordinated units that they would not be eligible for as individual chapters (e.g. funding for national efforts); and 3) submit grant applications to large, national foundations, as well as Federal agencies like the Department of Energy, for which funds could then be awarded to Clean Cities chapters. Clean Cities chapters may apply for funds through a competitive proposal process, or the process might even be less complicated. But it is important to begin the process of incorporating now if you have not already done so.

The steps you need to take to become a NCC Inc. chapter are:

1. Each Clean Cities coalition must be incorporated, must adopt bylaws, and must get a Taxpayer Identification Number before it can become a 501 (c) (3) chapter of NCC Inc. Enclosed is a copy of NCC's statement of purpose should you want to use this as a basis for incorporating in your home state (enclosure 1). You can apply for a taxpayer identification number on IRS form SS-4.
2. Your coalition must elect a Board of Directors (three should be the minimum, no maximum limit), and elect officers usually a President, Vice-president, (or Chair and Vice-Chair), a Secretary, and a Treasurer.
3. Your coalition must agree to the terms and conditions of being a 501 (c) (3) organization by signing an Application and Agreement with the Terms and Conditions for a Clean Cities Coalition to be a 501 (c) (3) Chapter of National Clean Cities, Inc. (enclosure 2) and a Statement of Agreement with the Terms and Conditions for a Clean Cities Coalition to be a 501 (c) (3) Chapter of NCC Inc. (enclosure 3). These agreements require chapters to keep and report to NCC Inc. about the organization and financial information NCC Inc. is obligated to know and report about.
4. Once completed, copies of this material should be forwarded to NCC Inc. along with a check in the amount of \$100 made out to NCC Inc. This fee is to help defray the cost of processing the documents and does not reflect any assessment of chapter dues. NCC Inc. has established an interim policy that chapters will not be charged dues through January 1, 2001.

5. Though not required to become a NCC Inc. chapter, we would appreciate receiving a copy of each coalition's goals and activities and information about the projects (and budget items) that need funding. This will assist us to help your coalition identify and obtain sources of funds.

If you feel that it would be helpful, NCC Inc. will send your coalition excerpts from the Bylaws for use in preparing your application to incorporate. We are also willing to assist you in any way we are able to help you complete the process to become a chapter.

We hope that NCC Inc. will be able to provide the flexible and tailored support that Clean Cities coalitions need to function most effectively. If you have questions regarding the incorporation process, please contact Peter Wolk at nonprftlaw@aol.com or 202-462-4500 or Carol Butler at cbutler@psn.net or (703) 644-9955.

We look forward to working with each of the Clean Cities coalitions and to continuing the progress made with alternative fuels.

Sincerely,

Carol Butler
Executive Director

Peter Wolk
Legal Counsel

NATIONAL CLEAN CITIES, INC.

Application and Agreement With
The Terms and Conditions for Clean Cities Coalitions to Be a 501(c)(3) Chapter
of National Clean Cities, Inc.

Applicant: _____ **Coalition, Inc.**

[Name of incorporated coalition]

Address: _____

Tel/ Fax: _____

E-Mail: _____

WE AGREE TO THE FOLLOWING:

1. We want to be an affiliate of National Clean Cities, Inc.
2. We agree to be subject to the general supervision and control” of National Clean Cities, Inc.
3. We have educational, charitable, and scientific purposes and believe we would qualify as exempt under section 501(c)(3), if we applied to the IRS for recognition of 501(c)(3) status.
4. We are not a private foundation.
5. Our fiscal year ends on September 30 (as does the fiscal year for National Clean Cities, Inc.).
6. We hereby authorize and request the central organization to include us in their Group Exemption Application.
7. We agree to be recognized as tax exempt under section 501(c)(3) from the date of the Group Exemption Application.
8. We are attaching to this a detailed description of our Coalition’s purposes, activities, sources of income, and types of expenditures.
9. We agree that each year we will provide to NCC information about our activities, sources of income, and types of expenditures so that IRS filing requirements can be fulfilled.
10. We are now incorporated and attach a copy of our Articles of Incorporation, our address, and phone number, the names and addresses of our Board of Directors and officers, and our Employer Identification Number.

Name Printed

Signature

Title

**Statement of Agreement with The Terms and Conditions
for Clean Cities Coalitions to Be a 501(c)(3) Chapters of National Clean Cities, Inc.**

Coalition, Inc.

Address: _____

Organizational Purposes:

The purpose of the Chapters of National Clean Cities, Inc. is to educate people, corporations, agencies and others about problems related to pollution, environmental hazards, and health risks and solutions related to the use of fossil burning vehicles. The use of natural gas, electric, solar, and other clean means of propulsion helps to produce a cleaner environment for the cities, suburban, and rural areas of the United States, helps to minimize our national need for and dependence on imported oil, and it increases the health and welfare of people otherwise adversely affected by air pollution.

Organizational Activities:

The organization plans to conduct educational activities about the environmental and health benefits of reducing pollution through decreased use of fossil fuels, by working to:

- Educate the general public about issues concerning local pollution, the risks posed by it, and the effect on the healthy and full development of children and adults
- Conduct educational programs, provide information, and collect literature and materials about issues related to environmental pollution, air pollution, and their negative health effects.
- Collect and report information about the environment and any pollution problems and then disseminate that information to and all interested segments of the general population.
- Create educational materials about the pollution caused by fossil-based fuels relative to the performance and effect of alternative fuel vehicles that use electric, natural gas, solar and other means of energy for propulsion.
- Establishing networks and exchanging information with individuals and organizations about available resources to promote better understanding of pollution and environmental issues concerning the use of fossil-burning fuels as compared to alternative fuel vehicles.

As with the Central Organization, the sources of income for the organization include individual contributions, corporate donations, foundation grants, and income from any research, information, or seminars that are made available to the public at a fee not to exceed the cost to the organization of obtaining and producing such information. As with the Central Organization, the expenditures of the organization will be for efforts to research, collect, and disseminate to all interested people within the general public, information about the health and environmental issues related to air pollution caused by the use fossil fuels in transportation. The Articles of Incorporation are attached. I am an officer of the above-named organization and I hereby certify that this corporation wants to be included in the Group Exemption of the central organization, NATIONAL CLEAN CITIES, INC., and is willing to be subject to its general supervision and control.

Name Printed

Signature

Title

